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Cabinet Meeting

10 May 1984


Please return to:
SA/DCI/IA

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9 May 1984

MEMORANDUM FOR: Director of Central Intelligence
FROM: SA/DCI/IA
SUBJECT: Cabinet Meeting, 10 May 1984

1. You are scheduled to attend a Cabinet meeting Thursday, 10 May at 2:00 in the Cabinet Room. This is a principal only meeting. The agenda will include discussions of federal employees safety and health; federal civilian employment; and a briefing by Secretary Shultz on the trip to China.

2. The Cabinet Office is not providing any papers for this meeting.

3. I have asked the DDA to provide some backup materials on the administrative/personnel issues for your use:

-- Federal Employees Safety and Health. At TAB A is a synopsis of the Administration's program to reduce accidents in government by some 3%. Our safety people have provided, in addition, an overview of our efforts here at the Agency to comply with this Administration policy. The message here is that we are meeting the President's goal.

-- Federal Civilian Employment. Personnel has put together talking points on personnel issues that are of concern to the Agency. The talking points make the case that it is difficult to compete with the civilian sector.

4. If I can do more to help in preparation for this meeting, please call.



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SUBJECT: President's government-wide goal of three percent reduction per year of workplace injuries and illnesses.

On 11 October 1983 President issued Memorandum for Heads of Departments and Agencies initiating a government-wide goal of three percent per year for the reduction of workplace injuries/illnesses, starting with Fiscal Year 1984.

Goals for each Agency based on total cases reported to Office of Workers' Compensation Programs for Calendar Year 1982. Goals for CIA are:

Year:	FY 1984	FY 1985	FY 1986	FY 1987	FY 1988
Goal:	136	132	127	123	119

For the 6-month period October to March 1984 CIA had 51 such claims. In short we appear to be safely under the established ceiling by a wide margin.

CIA is taking steps to meet its goal and at same time strengthen its Occupational Safety and Health Program. We have!

1. Re-issued Safety and Health Policy for the Central Intelligence Agency 28 October 1983.

2. Issued notice to CIA employees 29 December 1983 regarding the President's 3 Percent Injury/Illness Reduction Program.

3. Issued notice to CIA employees 18 November 1983 covering the Procurement, Maintenance and use of personal protective equipment.

4. Authorized increase in personnel of Safety Staff through employment during 1984 of a Health Physicist, two fire protection engineers, and two co-op students (one in industrial hygiene and one in fire protection). Authorized 4 additional Safety Staff employees for FY 1986.

5. Increased Safety Staff budget to provide for implementation of safety recommendations.

6. Taking advantage of safety training provided by the Office of Personnel and Management (OPM). Officials of OPM will present its Collateral Duty Safety Officer Course to 30 CIA employees 16-18 May and 13-15 June 1984.

7. Seventy-eight comprehensive safety and health surveys and 199 special inspections of CIA facilities worldwide were conducted and will be increased with new people.

8. Seven 5-day basic courses will be presented during 1984, one of which will be specially oriented for hearing impaired employees.

9. Will organize and implement a Radiation Safety Program in the coming year in both the ionizing and non-ionizing fields.

Statistics for CY 1983 reveal 145 injuries/illnesses that resulted in lost workdays with cost of \$118,862 for leave taken; 58 of these injuries were results of slips and falls.

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There are a number of Personnel issues which are of concern to, and have an impact on, the Agency workforce. They range from the Administration's proposed changes to the Federal retirement system to the perceived image our employees have of a general decline in employee benefits and services. In simplest terms, the general attractiveness of Federal service is an issue unto itself. The high-quality employees we need are obviously also in demand by the private sector. They are high-tech and critical skill personnel--engineers, computer scientists, mathematicians, physicists, chemists, economists, and specialists in international affairs. The many changes, both proposed and effected, in Federal salary and benefit programs and the general tone of the message being given throughout the Federal sector is having a significant impact on this Agency's ability to recruit and retain the personnel it needs to continue its record of excellence. Some specific issues troubling our employees are provided in the following paragraphs.

Retirement

The recent spate of discussions and proposals to change the criteria in the Civil Service Retirement System is having an unsettling effect on all Federal employees. As employees' concerns over system changes increase, more of them will actively prepare to leave the Federal service if they feel the system is threatened, or there is to be a significant denegation of benefits which heretofore were seen as offsets to low pay and reduced employee benefits. For example, within CIA we have recently seen a 30% increase in the number of people requesting annuity determinations--preparedness is the name of the game. If significant changes are affected, they may possibly leave in numbers we can ill afford.

Domestic Relocation

Public Law 98-151 was passed on 14 November 1983 to alleviate the significant out-of-pocket expenses incurred by Federal employees who relocate domestically to perform the business of the U.S. Government. It troubles us that two of the potentially most helpful benefits in the legislation, the tax reimbursement and use of third party relocation firms, are not yet available to Federal employees. The uncertainty and apprehension caused by the delay in providing formal implementing instructions on these two key benefits has exacerbated the planning and relocation decisions of many of the CIA employees who are currently preparing for domestic transfer this summer. These employees require an authoritative determination of what their benefits are or they will continue to suffer out-of-pocket costs without recourse to the possibility of retroactive reimbursement for some future authorized service provided by a relocation firm.

Salaries

There is a perception among employees that the rate of growth in Federal salaries as reflected in cost-of-living increases is not keeping pace with industry, reports to the contrary notwithstanding. As technology develops and increases in complexity, the private sector will meet financial demands and remain competitive. When this happens, the Federal sector must be ready to meet the competition and adjust or be prepared to lose the people needed most. The CIA has already noticed this trend developing in the field of communications and data processing. We are losing engineers and scientists to firms who are willing to pay high salaries in addition to excellent benefits packages.

Other Benefits

There is great concern over recent press accounts relating to general changes in Federal benefits. While the private sector is paying the premiums for health benefits, the Federal programs are costing more and covering less. Although there are many health programs to choose from in the Federal sector, the CIA requires nearly half of its work force to participate in the Agency's plan because of their cover status. The younger workforce we are attempting to recruit is very much aware of salary and benefits programs, and we frequently find ourselves outbid by the private sector. Such things as free life and health insurance, including dental care, tuition reimbursement to pursue a degree or additional degrees, stock options, matching investment programs and bonus programs are strong inducements when compared to what is offered by the Government. A broadening of the loan forgiveness program or an easing of restrictions on tuition reimbursement would improve our competitiveness and would give us the flexibility we often need to create an attractive employment package.

Overseas Relocation

The disincentives to overseas service remain with us, and it is becoming more and more difficult to recruit employees who are willing to accept the risks and burdens of moving home and family to an overseas environment. The high cost of living in a foreign country, coupled with questionable medical and educational facilities, are merely some of the factors making foreign service an unattractive option. The risks to both employee and family grow as terrorism increases--Agency personnel are obviously high priority targets.

Dual Careers

As more and more families become "dual career" families, it becomes increasingly harder to relocate them overseas, especially when one spouse is not an Agency employee. In many instances, financial necessity demands that both partners work; in others it is a matter of two people pursuing competing career tracks. In any event, mobility is severely curtailed and the need for imaginative solutions to these problems will be with us well into the late 80's.

In summary, many factors are influencing the actions of the present and prospective Federal civilian workforce. We should strive to make the impact of these factors positive and perceived as an example of "Excellence" at work.